

## LEGISLATIVE BILL 548

Approved by the Governor May 12, 1999

Introduced by D. Pederson, 42; Bohlke, 33; Price, 26; Suttle, 10

AN ACT relating to medicaid; to provide for funding for medicaid administrative activities; to state intent; to provide powers and duties; to provide a duty for the Revisor of Statutes; and to provide operative dates.

Be it enacted by the people of the State of Nebraska,

Section 1. It is the intent of the Legislature that in implementing section 2 of this act:

(1) The Department of Health and Human Services Finance and Support shall seek to access, to the extent possible under federal law, medicaid funds to reimburse school districts and educational service units for administrative expenses related to administrative activities, including outreach services, currently provided to medicaid-eligible and potentially medicaid-eligible students;

(2) School districts or educational service units shall not be required to perform any new activities or services; and

(3) The department shall coordinate administrative outreach activities provided by schools and educational service units with those provided under contract by other public or private providers. Medicaid administrative outreach activities provided by schools and educational service units shall enhance and not duplicate such activities by other providers.

Sec. 2. (1) On and after January 1, 2000, the Department of Health and Human Services, the Department of Health and Human Services Finance and Support, and the State Department of Education shall jointly develop a statewide billing system to access matching federal medicaid funds for medicaid administrative activities which are not reimbursed through the medicaid reimbursement rates established under section 43-2511. The Director of Finance and Support shall apply for and secure any federal waivers and state medicaid plan amendments required to implement this section. Only administrative activities delivered by school districts or educational service units under contract with the Department of Health and Human Services Finance and Support which are not reimbursed through the reimbursement rates under section 43-2511 shall be eligible for reimbursement under this section.

(2) Prior to entering into such a contract, the school district or educational service unit shall certify (a) the administrative activities for which it is seeking reimbursement, (b) that it shall expend nonfederal funds in an amount sufficient to meet the required nonfederal match of expenditures, (c) that all funds received under this section shall be used only to offset costs incurred in providing medicaid administrative activities under this section, including a transfer of funds to the department to pay for initial implementation and annual administrative costs, (d) compliance with all applicable federal and state rules and regulations, and (e) any other certification required by the department. School districts or educational service units accessing funds under this section shall transfer three percent or a percentage which corresponds to the department's actual cost, whichever is greater, of the total amount of funds accessed under this section for initial implementation and annual administrative costs. The department shall require audits, reports, and certifications as it deems necessary to oversee such contracts and shall adopt and promulgate rules and regulations necessary to implement this section. Nothing in this section shall require any school district or educational service unit to enter into a contract with the department under this section. Nothing in this section shall prohibit the department from contracting with other public or private providers of medicaid administrative activities. Federal medicaid funds provided to school districts or educational service units under this section shall not be subject to section 43-2515.

Sec. 3. The Revisor of Statutes shall assign sections 1 and 2 of this act within Chapter 68, article 10.

Sec. 4. Sections 1 and 2 of this act become operative January 1, 2000. The other sections of this act become operative on their effective date.